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SUBJECT: YEMEN LAUNCHES NEW ANTI-CORRUPTION BOARD

Classified By: CDA Angie Bryan per reasons 1.4 (b) and (d).

¶1. (C) SUMMARY: Yemen's Parliament finally elected eleven members to the the first Supreme National Anti-Corruption Commission (SNACC) on June 25. The Commission, which will be responsible for implementing the new Anti-Corruption Law, has committed itself to developing a national anti-corruption strategy involving participants from the government, media and civil society. Observers remain divided about the impact SNACC will have, but most remain cautiously optimistic. USAID has promised immediate technical assistance. END SUMMARY

¶2. (U) Anti Corruption Law No. 29 of 2006 established an 11-member Supreme National Anti-Corruption Commission (SNACC) as an independent body with legal authority to fight corruption, track down corrupt officials and retrieve funds obtained through corrupt practices. SNACC is charged with drafting and executing anti-corruption policies. It also receives financial disclosure statements from all senior government officials, as required under the Financial Disclosure Law. SNACC members are required to file their own financial disclosure statements at the Parliament's presidential board. SNACC can interrogate people involved in financial crimes and crimes of corruption and can refer these cases to the judiciary for prosecution. It also collects data and maintains a secret (and not releasable) corruption database for investigations and asset declarations. SNACC is required to submit a quarterly report to the President and Parliament on its activities.

NEW ANTI-CORRUPTION BOARD SELECTED

¶3. (U) Yemen's Parliament elected eleven members to SNACC on June 25 from a list of thirty nominees presented by the Shura Council, a consultative body to the President. Nominees were selected according to Anti-Corruption Law No. 29 of 2006, which stipulates that each sector of society must be represented in the SNACC, including civil society, the private sector and women. Every SNACC member is officially bestowed the rank of "Minister." The SNACC Chair and Deputy Chair serve a two-and-a-half-year term and can serve another two-and-a-half-year term, subject to SNACC consent. Regular SNACC members can serve only one five-year term.

¶4. (U) The eleven members are:

- a. Mr. Ahmed al-Anesi - General Representative and SNACC Chair
- b. Dr. Bilquis Abu Osba'a - Women's Sector Representative

and SNACC Deputy Chair
c. Mr. Ezz al-Deen al-Asbahi - Civil Society Organization Representative
d. Dr. Sa'ad al-Deen Talib - Private Sector Representative
e. Mr. Mohamed Hamoud Hassan al-Mattari - General Representative
f. Mr. Abdo Rabo Ahmed Abdullah Garada - General Representative
g. Mr. Yassin Abdu Saeed Noman - General Representative
h. Mr. Ahmed Abdul-Rahman Oarhash - General Representative
i. Mr. Mohamed Ahmed Ali Sanhoub - General Representative
j. Mr. Obeid Awad Salem al-Homor - General Representative
k. Mr. Khaled Mohamed Abdul-Aziz - General Representative

NEW BOARD LOOKS PROMISING . . .
INCLUDES THREE MEPI GRANTEES

¶ 15. (U) Ahmed al-Anesi previously served as Minister of Telecommunications from 1981-2001 and is known for his honesty and uncorrupt personality. Dr. Bilquis Osba'a is currently an Associate Professor of Political Science at Sanaa University, is President of the NGO Jazirah Center for Human Rights Studies and has been active in women's rights issues. In July 2007, the Middle East Partnership Initiative (MEPI) awarded a small grant to the Jazirah Center for a project on "Women's Empowerment in the Political Sphere Through the Media."

¶ 16. (U) Both Ezz al Deen al-Asbahi and Sa'ad al-Deen Talib have also received MEPI grants. Al-Asbahi is General Director of the Human Rights Information and Training Center (HRITC), one of the leading civil society organizations in Yemen that is actively engaged in organizing workshops on democracy and human rights. HRITC will be leading the civil society part of the Forum For the Future to be hosted by Sanaa in December 2007. His organization received MEPI grants for "Enhancing Civil Society's Role in Democratic Reform" and the "Democracy Assistance Dialogue" projects.

¶ 17. (U) Dr. Sa'ad al-Deen Talib, a key Embassy contact, was the Program Director at the National Democratic Institute (NDI) and former Member of Parliament. He served as Senior Program Manager for NDI's parliamentary strengthening program. NDI has received three MEPI grants for strengthening parliamentary institutions, monitoring the September 2006 presidential and local council elections, and strengthening political parties and women's political participation.

¶ 18. (U) The person on the SNACC who has the most questionable reputation regarding corruption is Yassin Abdu Saeed Noman, who disguised himself as an opposition contender during the September 2006 presidential elections, but in fact lobbied on behalf of President Saleh.

FIRST STEPS

¶ 19. (U) On July 4, President Saleh signed a Republican Decree officially establishing SNACC and chaired SNACC's first meeting. SNACC elected al-Anesi as Chair and Osba'a as Deputy Chair on July 7. Deputy Chair Osba'a told the media on July 10 that SNACC's first priorities include: a) establishing itself administratively and institutionally, and b) implementing the Anti-Corruption Law. She added that SNACC will conduct field visits to the Central Organization of Control and Audit (COCA), which is the ROYG's supreme auditing institution, the Parliament and other ROYG agencies.

SNACC Chair al-Anesi announced on July 12 that SNACC will devise by-laws by the end of August 2007 and will set a timetable for prosecuting public finance/corruption cases and following up with the courts.

¶ 10. (U) During its third meeting on July 16, SNACC divided itself into three committees dealing with: a) institutional

development and budget; b) implementing the Anti-Corruption Law and devising a national anti-corruption strategy; and c) administrative affairs. In a statement to the GPC-controlled almotamar.net, Deputy Chair Osba'a promised that SNACC will coordinate closely with civil society organizations in its anti-corruption campaigns and will try to reshape current laws to enhance anti-corruption efforts.

UNCERTAIN FUTURE FOR SNACC

¶11. (C) Observers remain ambivalent about what impact SNACC will have on fighting corruption. SNACC member Sa'ad al-Deen Talib informed FSN Economic Specialist on June 27 that al-Anesi was reluctant to join the commission and that al-Anesi's "half-heartedness from the beginning will be a huge impediment to having him in the position of SNACC Chair." In a July 16 interview with the independent newspaper Yemen Observer, SNACC member Ezz al-Deen al-Asbahi opined that "SNACC cannot fight corruption if there is no comprehensive system involving all of the people in government and associated units on this issue." He threatened to resign if the ROYG is not fully committed to fighting corruption, adding that SNACC "should examine many procedures and tasks if it is determined to weed out corruption." Member of Parliament and President of Yemen Parliamentarians Against Corruption (Yemen PAC) Sakhr Al-Wajeh described initial challenges SNACC would face to Econoff on July 30, including starting up its operations, achieving cohesiveness since SNACC members are "not of the same mentality," and added that large forces of corruption would exert pressure on SNACC itself. Al-Wajeh said that it is too early for Yemen PAC to make an assessment of SNACC and that the real test will be the implementation of the Anti-Corruption Law.

¶12. (C) Others are more optimistic about SNACC. In reaction to Sa'ad al-Deen Talib's selection to SNACC, NDI Country Director Peter Dimitroff remarked in a June 25 e-mail that "there are far more reform-minded MPs within the ruling GPC party than previously thought." Al-Anesi told the ROYG-controlled September 26 newspaper that "SNACC has the right intentions and will use all sources including the press to gather information to fulfill its mandate." In a July 23 meeting with the USAID Director, Al-Anesi said that the Anti-Corruption Law is very strong and that "President Saleh was clear that he will stand with SNACC in its Anti-Corruption efforts and support it without limit."
(Comment: The Embassy expects full ROYG commitment to the new SNACC because all of Yemen's activities under the Millennium Challenge Corporation's Threshold Program rely on having a fully constituted SNACC in operation before the end of 2007. Millions of dollars in economic assistance for Yemen are at stake. End comment).

USG PROMISES ASSISTANCE

¶13. (C) Experts on the ground have expressed guarded optimism, noting that while it is good that SNACC has been formed, it still requires a significant amount of material and technical assistance in order to carry out its mandate effectively. In a July 23 meeting with nine members of the SNACC, the USAID Director promised USG support through USAID's USD 1.7 million Anti-Corruption Grant with the Ministry of Planning and International Cooperation (MOPIC) and another USD 1 million from the MCC's Threshold Program, if it gets approved. The USAID Director told the SNACC that a coordination meeting between core donors and SNACC should take place by mid-August 2007. In the meantime, he agreed to distribute copies of USAID's September 2006 Yemen Corruption Assessment to SNACC members.

SNACC IN ITS INFANCY

¶14. (C) Chairman al-Anesi praised USAID's offer, indicating that the USG was the first donor to offer assistance to SNACC. He added that SNACC will need help during the initial stages, describing SNACC as an infant dependent on "an umbilical cord attached to external assistance." Al-Anesi stated that SNACC needs a larger office, computers and a large and specialized staff to carry out its responsibilities. Deputy Chair Osba'a added that SNACC requires training on international best practices in the field of anti-corruption. SNACC member Sa'ad al-Deen Talib noted that a needs assessment should be conducted.

COMMENT

¶15. (C) The nascent SNACC has a lot of potential to assist the ROYG as it fights corruption. Most board members have a technical or legal background and an excellent reputation for honesty. SNAC will need immediate financial and technical assistance, however, in order to grow into a fully independent and effective body. SNACC will first need to move from its current location inside the Presidential Office Building in order to maintain its independence. The real test of the Anti-Corruption Law will be its implementation. A lot will depend on SNACC's relations with other ROYG bodies, including COCA. Observers are waiting to see if the ROYG has the political will to enforce this law and if SNACC will be an effective mechanism for doing so. END COMMENT

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